This record is a partial extract of the original cable. The full text of the original cable is not available.

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DEPARTMENT PASS FOR USTR FOR BWEISEL COMMERCE FOR JBENDER AND JKELLY

E.O. 12958: N/A TAGS: ETRD EINV TH

SUBJECT: FTA ON HOLD AS THAI PM ANNOUNCES SNAP ELECTION

- 11. (SBU) On February 27, Commerce Permanent Secretary and Chief FTA Negotiator Karun Kittisataporn informed us that, in view of the Prime Minister's February 24 announcement of the dissolution of Parliament and a snap election on April 2, the RTG would not be able to conduct most FTA-related work since it is in "caretaker" status. Karun said that, after consulting with Deputy Prime Minister and Commerce Minister Somkid, he was authorized to inform the USG that all substantive work on the FTA would be halted until a new government was formed and set out a position on the FTA. The only exceptions, he said, would be responding to US inquiries that amount to technical points of clarification, and FTA work "that is already in the mail", i.e., that cannot be stopped. (Comment: Our understanding of Karun's policy would preclude continuing practically any and all intersessional work in any of the negotiating areas. End Comment)
- 12. (SBU) Karun said that he hoped to be able to have the authority to resume FTA talks with the US by June, but cautioned that this was a best-case scenario conditioned on many assumptions. He added that, elections aside, Thailand's current political crisis and the growing controversy surrounding the FTA argued for a hiatus. "We need time to calm things down," he said. The Thai Government, he said, would inform the media that after considering the current legal and scheduling constraints, it had been decided to have a hiatus in negotiations, and that Thailand and the US will consider re-starting talks later in the year. He asked that the US avoid making any public statements that differed markedly from this line.
- 13. (SBU) Comment: Thai media on February 28 reported the postponement of FTA talks, quoting Karun along the lines cited in para 2. Karun's remarks have the advantage of being non-controversial and removing the FTA from the political line of fire, while preserving the option of reviving talks in the future. We would endorse something similar for use by US officials on an "if asked" basis.